CLAIMS

I claim:

1. A system for automating the reverse auction negotiation
process between a consumer and a plurality of automobile
dealers in order to provide the consumer with the lowest
price for an automobile of the consumer's specification, the
system comprising:

a communications interface;

a controller computer linked with the communications
interface, the controller computer comprising:

a first logic unit to provide a list of available
automobiles and specifications options to the
consumer from a vehicle database;

a second logic unit in response to the consumer
selection the desired automobile and related
specification features, to provide the consumer
with a contract for the reverse auction services
and wherein the consumer accepts the contract
terms and provides payment information to the
system;

a third logic unit to receive consumer identification
and payment information, set up an auction account
number for the consumer transaction, add the
consumer to the existing member database,
identify the nearest dealers from a system dealer
database, establish the auction term, and

communicate a receipt page to the consumer;

a fourth logic unit to invite identified dealers to submit bids in response to the consumer's selection of automobile and specified feature, allow real time access to the bidding history for the particular reverse auction by participating dealers and the consumer, and to allow non-invited dealers to request invitations to bid subject to the consumer's authorization; and

a fifth logic unit ending the auction, comparing the bids received, notifying the lowest dealer bid and the consumer of the auction results tailored to each according to the consumers' contract.

2. The system of claim 1, further comprising a sixth logic unit to present a plurality of web pages to the consumer and dealers for use of the system.

3. The system of claim 2, wherein the first, second, third, fourth and fifth logic units provide information to the consumer and dealers via the web pages.

4. The system of claim 2, wherein the fourth logic unit receives real time dealer bids via the web pages and correspondingly provides the real time dealer bidding information to the consumer via web pages during the auction term.

5. The system of claim 1, wherein the fourth logic unit receives dealer bids via a voice connection.

6. The system of claim 1, wherein the fourth logic unit receives dealer bids via an Internet connection.

7. The system of claim 1, wherein the fifth logic unit notifies the lowest dealer bid and the consumer of the bidding results via a telephone connection.

8. The system of claim 1, wherein the fifth logic unit notifies the lowest dealer bid and the consumer of the bidding results via an Internet connection.

9. The system of claim 1, wherein the fifth logic unit notifies the lowest dealer bid and the consumer of the bidding results via written communication delivered by the U.S. Postal Service.

10. A method of automating the reverse auction negotiation service between a consumer and a plurality of automobile dealers in order to provide the consumer with the lowest price for a new or used automobile of the consumer's specification, the method comprising the computer implemented steps of:

a) the consumer specifying a desired make, model, and related specifications of desired automobile from an automobile data base, confirming the service contract, and providing the consumer's zip code location;

b) inviting new automobile dealers from a dealer database matched to the consumer's desired make, model, and related specifications of desired automobile and the consumer's zip code location to participate in

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submitting new automobile price quotes in response thereto;

c) creating a reverse auction database for the particular consumer automobile selection including an auction term;

d) notifying the lowest bidder at the end of the auction term; and

e) providing the consumer with the list of auction bids at the end of the auction term.

11. The method of claim 10, wherein a consumer who is not a current member of the service is provided with means for secure service logon and service payment, access featured services, and added to the service consumer database.

12. The method of claim 11, wherein the consumer is provided with a receipt for each particular reverse auction subscribed to within the service's reverse auction database.

13. The method of claim 10, wherein dealers within the dealer data base may review all active reverse auction databases for the participating consumers to identify the automobile and specifications selected, obtain the consumer's zip code distance from the dealer, obtain the present number of bids, obtain the current lowest bid, determine the amount of time remaining in the auction term, and, if not an invited dealer, request an invite to bid.

14. The method of claim 13, wherein the consumer is provided the option of accepting or rejecting any dealer not initially

invited and requesting an invitation to bid.

15. The method of claim 13, wherein any dealer participating agrees to a bidding agreement.

16. The method of claim 13, wherein only one bid per dealer is active during the term of the reverse auction.

17. The method of claim 13, wherein participating dealers may lower or maintain their current bid levels during the term of the reverse auction.

18. The method of claim 13, wherein participating dealers may raise their current bid levels during the term of the reverse auction only by contacting a customer support representative of the service.

19. The method of claim 13, wherein the consumer may lengthen the reverse auction term only by contacting a customer support representative of the service.

20. The method of claim 10, wherein the consumer may review at any time during the term of the reverse auction the current bids, the bid history, invited dealers, the consumer's selected options, the time elapsed in the bid term, and related services.

21. The method of claim 20, wherein the related services include automobile insurance, automobile financing, consumer credit reports, and vehicle history reports.

22. The method of claim 10, wherein the consumer may trade in an existing automobile as part of the specification information provided to participating dealers.

23. The method of claim 10, wherein participating dealers provide quotes based upon a whole dollar amount above, at, or below invoice or the manufacturer's suggested retail price.

24. The method of claim 11, wherein the consumer member featured services include buying a pre-owned automobile, buying a used automobile, obtaining free price quotations on automobiles, obtaining the lowest pricing for a specified automobile, or trading-in the consumer's existing automobile in the transaction for a new, pre-owned, or used automobile.